



King William County
Est. 1702

Board of Supervisors

William L. Hodges, Chairman
Board of Supervisors

William L. Hodges, First District
Travis J. Moskalski, Second District
Stephen K. Greenwood, Third District
David E. Hansen, Fourth District
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Dear Ms. Sabasteanski,

I am writing to provide comments to the Department of Environmental Quality (DEQ) and the Air Pollution Control Board regarding the Commonwealth of Virginia's proposed "Regulation for Emissions Trading" for the CO2 Budget Trading Program. As a resident of King William County and a member of the Board of Supervisors, I can attest to the critical importance of the West Point Paper Mill to our county. The mill is one of the largest employers, one of the largest taxpayers, and one of the most significant corporate members of our community. The hundreds of jobs that the mill provides, the hundreds more that it supports, and the millions of dollars that it injects into the local economy are irreplaceable. Simply put, the mill is the lifeblood of King William County.

I am concerned that the Emissions Trading regulations proposed by DEQ could, if not properly crafted, negatively impact the mill and its ability to remain competitive in the face of intense international and internal competition.

With that in mind, I would encourage DEQ and the Air Board to:

- 1) Maintain the existing exemption for industrial generation.
- 2) Fully recognize the carbon neutrality of biomass by amending the regulation to allow for the subtraction of biogenic emissions from any covered source. This is an approach that is consistent with established science and the existing Regional Greenhouse Gas Initiative program.
- 3) Preserve the free allocation of carbon allowances currently in the regulation, as a full auction of allowances could significantly increase the financial impact to energy-intensive industries.

On behalf of myself and those that I represent that understand the importance of the West Point mill, I appreciate your consideration of my comments.

Sincerely,

A handwritten signature in blue ink, reading "William L. Hodges".

William L. Hodges
Chairman, King William Board of Supervisors

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